

DIRECTOR OF CENTRAL INTELLIGENCE

Security Committee

SECOM-D-392

19 NOV 1980

MEMORANDUM FOR: Special Assistant to the DCI for Compartmentation

STATINTL FROM:

[REDACTED]
SECOM Member, APEX Steering Group

SUBJECT: Review of APEX Additions for TSCS

1. As reported in the Final Report, it was noted that recommended policies under extant systems of compartmentation for Technical Security inspections and subsequent approvals are not as tight as one would expect for our most sensitive intelligence programs. The APEX Working Group also learned that because of shortfalls in available manpower, even the existing Technical Security Countermeasures (TSCM) inspection requirements (overseas facilities - annually; contractor facilities - annually; CONUS facilities - biannually) are not being met.

2. In preparation of the APEX Government Manual, it was proposed that new requirements for technical inspections be established and held uniform throughout the Community. The new proposals require TSCM inspections to be conducted "as soon as possible" after the opening of an APEX facility, "within six months" after major renovations, and reinspection on an 18-month cycle.

3. There was considerable debate in the Working Group about the potential for delay perceived in the requirement to do TSCM inspections "as soon as possible" after the opening of an APEX facility. A second option was considered. This called for doing a TSCM inspection at the time a new facility began operations.

4. The Intelligence Community was polled and requirements called for. The Final Report notes the results. The shortfall in the Community at that time, late 1979, was 34 positions. If the standards in the APEX draft manual were to be met (option 1), an additional 23 positions would be required. If TSCM inspections were required at the time a new facility began operations (option 2), an additional 79 positions would be required. The relevant data, by agency, was shown in the Final Report as follows:

		<u>APEX Additions</u>		STATINTL
<u>Agency</u>	<u>Assets</u>	<u>Shortfalls</u>	<u>Option 1</u>	<u>Option 2</u>
Army				
Navy				
Air Force				
State				
CIA				
Total				

5. Cost of equipment was not requested at that time but Army and Navy each estimated a cost of [] for TSCM equipment. STATINTL

6. The House Permanent Select Committee on Intelligence requested in October 1980 that the DCI re-examine the proposed APEX program and provide by 1 December 1980 an assessment of the expected new benefits to be derived from APEX, specific conversion requirements and estimated total costs to include, among others, technical security equipment.

7. The Community was polled in mid-November 1980 and provided the following costs (in thousands):

STATINTL	Army	
	Navy	
	Air Force	
	State	
	CIA	
	Total -	

8. New benefits - The Community members believe that a technical countermeasures inspection of APEX facilities would add a desirable dimension of security that is currently not available.

9. Specific conversion requirements - Historically the Community members have ordered priorities of TSCM inspections in accordance with perceptions of the threat. It has been believed that the greatest threat of technical penetration existed in the foreign field. Available resources (manpower and equipment) have been directed in that quarter. Countermeasures equipment to conduct domestic inspections of government and industrial facilities participating in the APEX system would be required in the amount of [] STATINTL

STATINTL cc: OS/PPG
C/TSCS

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